

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

PHI ACQUISITIONS NSA

Docket No. MC2014-21

PHI ACQUISITIONS NSA

Docket No. R2014-6

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 2, QUESTION 1**
(April 8, 2014)

The United States Postal Service hereby provides its response to Chairman's Information Request (CHIR) No. 2, Question 1. CHIR No. 2 was issued March 21, 2014, and responses were due by March 26, 2014. Responses to Questions 2-4 were filed on March 27, 2014. The Postal Service's response to Question 1 is attached. The question is reprinted verbatim, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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April 8, 2014

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1. 39 C.F.R. § 3010.42(f) requires that the Postal Service use the Commission's accepted analytical principles to calculate the projected change in net financial position. The methodology in the Postal Service's workpapers, "PHI_NSA_Financials.FINAL.xls" does not conform to the Commission approved methodology affirmed in Order No. 738.¹ Please provide revised workpapers using the Commission approved methodology. Please ensure that the calculations take into account FSS Flats volumes as well as any adjustment to the thresholds in accordance with Section III.D of the Agreement. Notice, Attachment B at 5-7.

RESPONSE:

Please see the attached file "Panzar_PHI_With_Exigency.xlsx".

¹ Docket No. RM2010-9, Order Terminating Proceeding, May 27, 2011, at 14-15 (Order No. 738).